



# Strengthening Employer Support of the Guard and Reserve

Glenn A. Gotz  
Institute for Defense Analyses



# There is No Systematic Evidence on the Problems Faced by Employers

- Initial hypotheses
  1. Reservist-employee absences generate costs for employers
  2. Call-up uncertainty creates additional costs or problems
  3. These costs negatively affect recruiting, retention, volunteering
- Results
  - Literature search did not find data on the costs of long-term absenteeism (not limited to RC call-ups)
  - The 1999 Reserve Employer Survey and interviews with ESGR state chairmen, HR managers support hypotheses 1 and 2
  - Most evidence of employer problems is anecdotal
  - No signs that RC recruiting, retention, and volunteerism have declined due to reduced employer support
- Conclusion: We don't know if employer costs and employer support are problems



# There Are No Systematic Data about Employers

- We can't connect reservists to employers
  - Which reservists work for large firms, small firms, federal, state or local governments?
  - What benefits beyond those legally required do employers provide reservist-employees?
- We don't know the relationship of recruiting, retention, and volunteerism to
  - Employer characteristics, e.g., size, public/private, industry
  - Employers' financial burdens, e.g., costs incurred due to call-ups, USERRA provisions
  - DoD actions toward employers, e.g., ESGR programs
  - Frequency and duration of call-ups



# Five Areas for DoD Initiatives

- Establish an employer database and link it to reserve personnel files
- Obtain timely information for early warning of problems
- Provide more timely information to employers
- Decrease uncertainty about call-up frequency and duration
- Offset employer costs

Test costly or uncertain options before widely implementing



# Establish an Employer Database and Link It to Reserve Personnel Files

- Employer database is central to taking actions that might improve employer support
- Every reservist's employer should be identified
- Payoffs
  - Provides the tool needed by state ESGR for targeting information to employers. Enables DoD to communicate with employers
  - Facilitates statistical studies and surveys, e.g., how the effects of reserve service and call-ups differ by employer characteristics



# Obtain Timely Information for Early Warning of Problems

## Sources of information:

- Periodic telephone survey of employers
- ESGR ombudsmen



# Obtain Timely Information for Early Warning of Problems

- Periodic telephone survey to develop leading indicators
  - Short list of questions (5-10 minutes)
  - Conduct survey multiple times per year during high call-up periods
  - Link survey responses to employer database and to subsequent reservist behavior
- Track trends in number and nature of calls to ombudsmen
  - Information in sufficient detail that problems can be identified but not so much that it is burdensome
  - Rapid transmission to NCESGR for summarization and assessment



# Provide More Timely Information to Employers

- Provide employers with earliest possible notification of call-up
  - Early notification easier for scheduled deployments, e.g., MFO Sinai, Kosovo, and for annual training
  - Value of early notification appears to be greater for longer duration deployments
- Disseminate information to reservists' immediate supervisors and HR managers, not just the CEOs
  - Rationale for deployment
  - Duration or likely duration
- Payoffs: improved workload planning for employers, possibly lower costs and decreased resentment



# Decrease Uncertainty About Call-up Frequency and Duration

Positive actions can be taken by

DoD

- Provide early mobilization orders
- Establish “double volunteer” units
- Rotate mobilization risk for units
- Set definite tour/deployment lengths



# Offset Employer Costs

- USERRA-mandated employer retirement pay contributions and vesting accrual for duration of active duty, medical insurance for up to 30 days
  - Readily determined, but administrative cost may be high
  - Some employers would provide these and other benefits without the legal requirement
  - Other employers do not contribute to pension or health plans
- Overtime payments, cost of training temporary workers, lost productivity, lost sales, etc.
  - Difficult to determine and subject to manipulation



# Conduct Experiments and Demonstrations

- The efficacy of costly or potentially risky initiatives should be tested. Examples include
  - Consequences of contacting reservists' employers
  - Offsetting employer costs



# Options for Testing Offsets to Employer Costs

- Employer USERRA-mandated pension benefit and medical insurance costs options
  - i. Obtain proof of pension and/or medical benefits from employers and reimburse
  - ii. Obtain proof of costs but reimburse a fixed amount to each employer with proof regardless of actual costs
- Other employer cost options
  - i. Require proof of overtime payments, training costs and reimburse up to a maximum
  - ii. Reimburse based only on duration of reservist-employee's absence and possibly the reservist's pay



# Revised and New DoD Initiatives

- Revised
  - Employer database: Make employer identification mandatory
- New
  - Employer survey: Administer frequent, short surveys focused on development of leading indicators
  - Develop demonstration projects for reducing employer uncertainty about frequency, timing, and duration of RC call-ups, e.g., “double volunteer units”
  - Experiment with financial incentives for employers. Assess the effects on RC recruiting, retention, volunteering